



North Carolina Department of Health and Human Services  
**Division of Budget and Analysis**  
2001 Mail Service Center • Raleigh, North Carolina 27699-2001  
Telephone (919) 733-6396 • Fax (919) 733-2944

Michael F. Easley, Governor  
Dempsey Benton, Secretary

James B. Slate, Jr., Director

November 2, 2007

**MEMORANDUM #2007-10**

TO: Division Directors  
Office Directors  
Budget Officers

FROM: Jim Slate *Jim Slate*

SUBJECT: Increase in Roundtrip Mileage Allowed to be Reimbursed at the IRS Rate

The State Budget Manual effective July 1, 2007 amended Section 5, Travel Policies and Regulations, at 5.1.25 Transportation by a Personal Vehicle. This amended policy increases the round trip mileage allowed to be reimbursed at the IRS rate when a personal vehicle is driven. Employees who **have access to motor pool or to motor pool vehicles permanently assigned to their agency**, may elect to drive their personal vehicles versus driving a motor pool vehicle or permanently assigned agency vehicle.

- For round trip mileage of 100 miles or less, reimbursement will be at the IRS mileage rate.
- For round trip mileage in excess of 100 miles, employees will be reimbursed at the prevailing motor pool rate.

Employees who do **not have access to motor pool and/or agency assigned motor fleet vehicle** will be reimbursed at the prevailing IRS mileage rate regardless of the mileage involved in the trip. Lack of access must be documented and attached to the travel reimbursement request.

The IRS business mileage rate is 48.5 cents per mile and is also reflected in Section 5, Travel Policies and Regulations, at 5.1.25 Transportation by a Personal Vehicle.

The following policies remain in effect:

- Mileage reimbursement rates set by any other law by reference to G.S. 138-6(a)(1) are established at 25.0 cents per mile, NOT the IRS rate.
- Mileage is measured from the closer of duty station or point of departure to destination (and return).

If you have any questions, please contact your Budget Analyst in this office.

JBS:dl:gg

Attachment

Cc: Dempsey Benton  
Jackie Sheppard

Dan Stewart  
DHHS Budget Analysts